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RUSSIA'S ANXIETIES ABOUT THE ARAB REVOLUTION

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By June 2011, the Arab revolutions had evolved into a series of disconnected but increasingly violent civil wars—particularly in Libya and Syria. The international community has certainly not been spared the effects of these wars. As a long-time patron—if not an ally—of these states, Russia views these trends with mounting anxiety. These revolutions and civil wars pose three serious challenges or even threats to Russia.

FEAR OF DOMESTIC UNREST

Domestically, the revolutions could inspire citizens to take autonomous political action against the regime. Alternatively, they could further inflame the insurgency in the North Caucasus among a largely Muslim population to which Russia is already dedicating approximately 250,000 regular army and Ministry of Interior forces. Meanwhile, Moscow clearly has no effective strategy for quelling this violence or for resolving this insurgency by political means.

Russian domestic and external braggadocio is intended in part to hide the regime's fears of domestic unrest. Russian officials believe and publicly profess that since 2003 the United States has been trying to foment democracy campaigns in Russia and the Commonwealth of Independent States (CIS) to undermine existing regimes there. Accordingly, they continue to promote the image of Russia as a besieged fortress surrounded by linked enemies, foreign governments and democratic reformers. Thus, President Dmitry Medvedev said, in March 2011:

Look at the current situation in the Middle East and the Arab world. It is extremely difficult and great problems still lie ahead. In some cases it may even come to the disintegration of large, heavily populated states, their break-up into smaller fragments. The character of these states is far from straightforward. It may come to very complex events, including the arrival of fanatics into power. This will mean decades of fires and further spread of extremism. We must face the truth. In the past such a scenario was harbored for us, and now attempts to implement it are even more likely. In any case, this plot will not work. But everything that happens there will have a direct impact on our domestic situation in the long term, as long as decades.

While Moscow does not attribute the Arab revolutions to outside forces, it believes that those forces could exploit their example to incite an increasingly dissatisfied populace. In response to the color revolutions of 2003-2005, Moscow has terminated elections of governors, passed increasingly draconian laws suppressing freedom of the press, assembly, speech, and the dissemination of information, and has created thousands of Paramilitary units whose primary mission is to suppress any manifestation of public unrest and autonomous political action. Dissidents and journalists have been jailed, beaten, and sometimes killed. Vladimir Putin has even revived Leonid Brezhnev's notorious practice of putting dissidents into psychiatric institutions. According to journalist Andrei Soldatov, Russia is also working to prevent a "Facebook Revolution" by proposing that the owners of online social media be responsible for all content posted on their websites. Despite the regime's habitual public swagger, these policies betray a government deeply afraid of its own people. An April 2009 report outlined the threat perceived by the authorities quite clearly. Specifically it stated:

The Russian intelligence community is seriously worried about latent social processes capable of leading to the beginning of civil wars and conflicts on RF [Russian Federation] territory that can end up in a disruption of territorial integrity and the appearance of a large number of new sovereign powers. Data of an information "leak," the statistics and massive number of antigovernment actions, and official statements and appeals of the opposition attest to this.

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This report proceeded to say that these agencies expected massive protests in the Moscow area, industrial areas of the South Urals and Western Siberia and in the Far East, while ethnic tension among the Muslims of the North Caucasus and Volga-Ural areas was also not excluded. The proliferation of the Arab “virus” would be the Kremlin’s worst nightmare.

FEAR OF REVOLUTION SPREADING TO CENTRAL ASIA

Russia’s second source of anxiety lies in the possibility that Arab revolutions might spread to Central Asia. Russian elites regard this area as particularly vulnerable to upheaval from both within and without, especially if the Taliban were to prevail in Afghanistan. On June 14, President Medvedev, speaking in Tashkent, made clear that these revolutions concern Russia and its Central Asian partners. Indeed, by April it was clear to Moscow that dangerous pressure was building up in these states. When the Duma held public hearings about the possibility of these revolutions spreading to Central Asia, Deputy Foreign Minister Grigory Karasin, on April 13, publicly urged these states to make timely reforms lest they be swept away like Tunisia and Egypt. Russia is seeking stability because it will prevent these other states from drawing closer. To achieve this, Karasin has recommended the formation of a civil society with the intention of establishing international and inter-religious peace, leaders’ heightened responsibility for raising the population’s standard of living, and the development of education and work with youth. However, this limited program cannot overcome the results of profound misrule, corruption, and stunted economic development. Additionally, there has been no mention of economic development, freedom, or genuine political reform. Clearly, Russia is only willing to tolerate cosmetic reforms, and it is doubtful that Central Asian leaders will even reach those limits.

Indeed, these leaders are quite unwilling to countenance genuine reforms and their responses to the Arab revolutions have been dismissive. Kazakhstan’s President, Nursultan Nazarbayev, initiated an instant election rather than a palpably stage-managed referendum to give him life tenure because the latter would have been too egregious in today’s climate. Meanwhile in Uzbekistan, already a draconian state in many ways, we see a further crackdown on mobile Internet media. News blackouts are becoming frequent occurrences in Uzbekistan and Turkmenistan; all across Central Asia, government agencies continue to deny the possibility of revolution. Subsequently, Uzbek President Islam Karimov stated that these revolutions were externally instigated by states who covet Central Asian resources, though he would not specifically identify them. Tajikistan’s President, Emomali Rahmon, told his Parliament on April 20, 2011:

Much has been said and written about the possibility of the repetition of such events in Central Asia, [---] “I want to reiterate that the wise people of Tajikistan, who were once the victims of such events, know the meaning of peace and stability. They are aware of the importance of peace and stability. [---] They have gone through civil wars; therefore, they reject military solutions to any problem.

Similarly, Turkmen President Gurbanguly Berdymukhammedov recently said that the abundance of goods at domestic markets, especially food, and cheap prices are key indicators of progress and stability. While governments in the region are doing their best to leave nothing to chance, they are not reforming themselves. These regimes are whistling in the wind and have good reason for anxiety. Large demonstrations are now occurring in Azerbaijan, where unrest in response to the regime’s crackdown on dissent and Islamic agitation has been growing since late 2010.

RUSSIA’S CONCERN ABOUT LIBYA

Russia’s third source of anxiety pertains to NATO’s operation to support Libya’s insurgents and to the possibility of deepening involvement there—and even more so in Syria. NATO’s actions and the ongoing civil strife place several Russian interests in these countries at risk. Russia already stands to lose, by its own account, \$4.5 billion in arms deals with Libya and that figure excludes Syria. Those arms sales not only benefit defense industry, but also Russian leaders who habitually pocket the proceeds from arms sales for their private “slush funds.” Beyond that, Libya has also reportedly offered Russia a naval base in Benghazi while Syria has offered Moscow a naval base at Tartus. These events suggest that in return for arms sales host states are being pressured to give Moscow access to foreign bases. We have also seen this in Latin America. Moreover, Russia might still be supplying weapons covertly to Libya through Belarus, a habitual conduit of weapons to places where Russia wishes to retain deniability, since Libya has recently asked Belarus for more weapons. Syria’s importance as a buyer of Russian arms, often paid for by Saudi or Iranian subsidies to Syria, is of a comparable economic and strategic magnitude.

Second, Libya is important to Russia’s energy strategy. Just before the Libyan revolution, Russia signed an asset-swapping deal with ENI, Italy’s state energy company, to obtain half of ENI’s stake of 66 percent of Libya’s Elephant oilfield with 700 million recoverable barrels of oil. In exchange, ENI will be allowed to take part in projects to develop northwest Siberian assets owned by the Arctic Gas company. Specifically ENI and Gazprom agreed to finalize a contract for the sale of gas from these fields in Siberia that will be produced by a joint Russo-Italian company called SeverEnergiya (Northern Energy). This deal comports with Russia’s twin objectives of: 1) ensconcing itself in North African gas supply networks to surround and put more pressure on Europe to deal with Russian gas suppliers and 2) obtaining foreign equity ownership investment without overly intrusive conditions like majority equity ownership in Russia’s Siberian and Far Eastern energy projects. Presumably, in this case, there is a trade so if the Libyan project were to fall through due to the success of the revolutionaries, ENI might

have to pull out of the Siberian project.

Therefore, the implications of maintaining a Russian gas stake in Libya and the broader North African scene possess considerable economic and geopolitical importance. In sum, Russia clearly cannot gain decisive leverage upon European gas supplies unless it gains major equity in North African, i.e. Libyan and Algerian fields. Lukoil already holds stakes in Egypt, Tatneft is in Libya, and Gazprom is in Algeria while Gazprom, as shown below, is primed to move as well into Libya. Moscow also clearly wants BP's assets in Algeria and in the Caspian Basin. TNK-BP announced in October 2010 its interests in BP's Algerian holdings worth \$3 billion. President Medvedev also proposed buying these holdings during his 2010 state visit to Algeria. TNK-BP even offered assets to Sonatrach, Algeria's national gas company, in exchange for these BP assets. BP may also have asked Algeria and Sonatrach to cooperate with Russia. Beyond those BP assets in Algeria, Gazprom plans to participate in new tenders to develop gas fields there. Despite an initial interest in cooperating with Russian firms, Algeria and Sonatrach reversed course and decided to resist Russia. Russia's interest in acquiring Algerian energy assets is quite straightforward. Whatever leverage it gains in Algerian oil and gas can be used to encircle Europe since Moscow expects Western demand for gas will return to 2007-8 levels.

But Moscow also needs foreign assets like these fields in North Africa for critical domestic economic purposes to shore up Gazprom's bottom line. Moscow must now reckon with stagnant, if not declining, demand in Western Europe and the arrival of liquefied natural gas (LNG) and shale gas where it cannot compete. These challenges cause Moscow to doggedly pursue its earlier strategy. Furthermore, the prospect of higher domestic energy taxes also drives Gazprom to seek more foreign assets rather than reform its domestic operations. On the other hand, the unrest in Libya has had a major silver lining for Moscow. The general sense of turbulence throughout the Persian Gulf has caused oil prices to spike to over \$100 per barrel unit (bbl).

This windfall simultaneously plays a key role in Russian domestic politics. As Finance Minister Alexei Kudrin has stated, Russia's budget is in deficit if oil prices fall below \$120/bbl. Consequently this windfall relieves pressure on the budget. But more importantly, for all those who, like Putin, cling to the idea of an energy powerhouse, but an essentially unreformed economy (and political system), this windfall obviates any demand to undertake the reforms needed to modernize the political and economic system. Medvedev has talked but failed to deliver here. Since it provides an illusion of prosperity and stability, popular and elite pressures for reform are tranquilized as long as panic and speculation dominate global energy markets. Third, in foreign policy, instability in the Gulf and North Africa seemingly allows Russian leaders like Prime Minister Putin, to tell Europe that it should make deals with Russia because Russia supposedly is a stable predictable supplier without whom Europe cannot manage. Needless to say, this is ultimately a geopolitical argument, although it includes economics, for strengthening Russia's clout over Europe. Thus, Russia's energy strategy aims not only to reduce pressure for domestic reform, it also is the critical instrument by which Russia seeks to dominate the CIS and gain enduring leverage in Europe. Failures in either foreign policy theater immediately reverberate in Russian domestic politics and economics.

Another reason for Russian opposition to intervention lies in the fact that Russia has consistently tried to restrict the U.S. use of force so that Washington must get approval from the UN Security Council where Russia has a veto. Invoking the UN as the supreme and exclusive arbiter of the use of force for the United States has been a systematic plank in Russian foreign policy for over a decade. If the United States and Europe showed that they did not need a UN approval (which, in any case, Moscow and Beijing would veto), this would demonstrate Washington's effective —and even successful— disregard for Russia to the world, with a corresponding blow to Russian status, prestige, and real influence in the Middle East and beyond. Therefore, continuation or worse, extension and prolongation, of this operation would only confirm Russian fears that Washington and NATO are unpredictable actors who are not bound by consideration of Russian interests, international law, or anything other than their own sense of their values. These values, which remain quite inexplicable to Russian leaders, are often indistinguishable and unnecessarily complex in the conduct of relations with the West. Moreover, Western leaders could one day claim the lack of democracy in Russia or the CIS as a pretext for intervention. Russia, like China, wants to conduct a “values-free” foreign policy with the United States and Europe in the manner of eighteenth or nineteenth century cabinet diplomacy where states could do as they please domestically. Thus, for example, Russia simultaneously published atrocity stories about NATO's conduct while seeking to persuade NATO and Muammar Qaddafi that it can be a reliable mediator in this operation. Such maneuvers represent the acme of tactical flexibility that Moscow prides itself on possessing.

Finally, NATO's Libyan operation presents Russia with multiple geopolitical risks. Once again Moscow believes that NATO, backed by Washington, has usurped the clear meaning of a UN resolution to intervene unilaterally in a civil war on behalf of forces opposing Russia's client or partner and to impose democracy by force. Russia also worries that this could lead (as may well happen) to a prolonged stalemate that could further inflame its and its neighbors' restive Muslim populations and the entire Middle East. Second, the potential victory of these revolutionary forces and NATO could lead them to ratchet up similar pressure on Syria and use Libya as a precedent for intervening there. Third, if the Libyan and Syrian revolutionaries were to win, such a victory could lead them to look to NATO, not Moscow, in the future. This would result in strengthening the Western presence in the Middle East and allowing NATO to consolidate the area unilaterally. That would constitute a clear defeat of Moscow's long-standing geopolitical objective of not letting the United States and/or NATO unilaterally organize the Middle East. Then Moscow would face regional marginalization, as well as another successful NATO unilateral precedent in coercive diplomacy.

All these considerations came together when Foreign Minister Sergei Lavrov met Chinese Foreign Minister Yang Jiechi in Moscow on May 6, 2011. They announced their grave concern over Middle Eastern events. Furthermore, they would now coordinate actions to bring about a “speedy stabilization” of the situation and prevent negative unpredictable consequences. Specifically, they adhere to the principle that peoples should be free to arrange their affairs as they see fit without outside interference. They both see the UN Contact Group as having grossly overstepped its authority and as now being in favor of a NATO ground operation, thus usurping the Security Council’s formal role. They called for a peaceful settlement and no foreign intervention, which means Qaddafi stays in power. This coordination will undoubtedly spread to questions concerning reform in Central Asia even though Moscow, as noted earlier, would like to see cautious reforms.

Yet within weeks, Moscow offered to mediate between Qaddafi and the rebels. It did so because much as it fears prolonged strife in Libya, it fears marginalization and NATO’s victory even more. Therefore, despite the agreement with China, it quickly reversed course lest it be isolated vis-à-vis NATO and regionally. Moscow’s maneuvers betray weakness despite its public posturing. Its advice to Libya, Yemen, Syria, and Central Asia to institute moderate reforms was utterly disregarded yet it upholds these regimes even though they depend, as Syria’s Foreign Minister Walid Muallem, said, on Russia. Their propensity to murder their citizens has apparently not suggested to Moscow that it has again backed the wrong horses. Meanwhile, Russia’s domestic policies of repression and anticipation of what amounts to counter-revolution also betray fear, weakness, and an inability to transcend the status quo notwithstanding Medvedev’s call for modernization. Should Russia or its neighbors experience their own version of the Arab spring, this elite determination to retain power and befriend tyrants as allies might lead Moscow to its own violent emulation of what is now a truly revolutionary and violent process in the Middle East.

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